

40-3610. Same; persons required to cooperate with commissioner; definitions; civil and criminal penalties and supervision or revocation of licenses for failure to cooperate or obstruction or interference with commissioner. (a) Any officer, manager, director, trustee, owner, employee or agent of any insurer, or any other persons with authority over or in charge of any segment of the insurer's affairs, shall cooperate with the commissioner in any proceeding under this act or any investigation preliminary to the proceeding. The term "person" as used in this section, shall include any person who exercises control directly or indirectly over activities of the insurer through any holding company or other affiliate of the insurer. "To cooperate" shall include, but shall not be limited to, the following:

(1) To reply promptly in writing to any inquiry from the commissioner requesting such a reply; and
(2) to make available to the commissioner any books, accounts, documents or other records or information or property of or pertaining to the insurer and in the insurer's possession, custody or control.

(b) No person shall obstruct or interfere with the commissioner in the conduct of any delinquency proceeding or any investigation preliminary or incidental thereto.

(c) This section shall not be construed to abridge otherwise existing legal rights, including the right to resist a petition for liquidation or other delinquency proceedings, or other orders.

(d) Any person included within subsection (a) who fails to cooperate with the commissioner, or any person who obstructs or interferes with the commissioner in the conduct of any delinquency proceeding or any investigation preliminary or incidental thereto, or who violates any order the commissioner issued validly under this act may:

(1) Be sentenced to pay a fine not exceeding \$10,000 or to imprisonment for a term of not more than one year, or both; or
(2) after a hearing held in accordance with the Kansas administrative procedure act, be subject to the imposition by the commissioner of a civil penalty not to exceed \$10,000 and shall be subject further to the revocation or suspension of any insurance licenses issued by the commissioner.

History: L. 1991, ch. 125, § 6; July 1.